VZCZCXRO4117 OO RUEHCHI RUEHDT RUEHHM RUEHNH RUEHTRO DE RUEHGO #0534/01 2291050 ZNY CCCCC ZZH O 171050Z AUG 09 FM AMEMBASSY RANGOON TO RUEHC/SECSTATE WASHDC IMMEDIATE 9353 INFO RHEHNSC/NSC WASHDC IMMEDIATE RUCNASE/ASEAN MEMBER COLLECTIVE RUEHGG/UN SECURITY COUNCIL COLLECTIVE RUEHBY/AMEMBASSY CANBERRA 2226 RUEHNE/AMEMBASSY NEW DELHI 5690 RUEHUL/AMEMBASSY SEOUL 9292 RUEHKO/AMEMBASSY TOKYO 6873 RUEHCHI/AMCONSUL CHIANG MAI 2284 RHHMUNA/CDR USPACOM HONOLULU HI RUCNDT/USMISSION USUN NEW YORK 2664 RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 04 RANGOON 000534

SENSITIVE SIPDIS

DEPT FOR EAP/MLS, DRL, AND IO PACOM FOR FPA

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SUBJECT: BURMA: SENATOR WEBB'S MEETING WITH AUNG SAN SUU

KYI

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Classified By: P/E Chief Jennifer Harhigh for Reasons 1.4 (b) & (d)

Summary

 $\P 1$. (C) In a 45-minute meeting August 15 with Senator Jim Webb, detained National League for Democracy (NLD) leader Aung San Suu Kyi (ASSK) repeatedly emphasized she is eager for dialogue with the regime and is prepared to work with Burma's senior leaders to find common ground, including on sanctions. The Senator expressed concern about the adverse impact of sanctions, which he said harmed Burma's economy and severed people-to-people ties. ASSK argued that regime mismanagement, not sanctions, damaged the economy, but agreed on the need for more contact with the West. She supports openness, exchanges, and official visits involving talks with the SPDC, provided those who come get a balanced impression. When asked about the NLD's plans for the 2010 election, ASSK said she could not form a position without first having the opportunity to consult with her party. Webb told ASSK that he had pressed Burma's leaders to release her. She expressed gratitude for U.S. support. End summary.

Participants

12. (U) Codel Webb's meeting with ASSK took place August 15, 2009, 3:50 p.m. at Sein Lei Kan Tha Government Guesthouse, near the U.S. Embassy and ASSK's residence, Rangoon, Burma. Participants included:

Aung San Suu Kyi

Senator Jim Webb Senate Professional Staff Member Marta McLellan Ross Charge d'Affaires Larry Dinger DATT Colonel Brey Sloan Political/Economic Chief Jennifer Harhigh

Senator Webb: Reintegrate Burma into the International Community

13. (C) Senator Webb thanked ASSK for the meeting — the first in over six years with a U.S. official — and conveyed his respect for her efforts to promote democracy. He apologized for the intrusion into her home by American John Yettaw and said he had asked Burma's leaders to release her. ASSK, noting the limited time allotted for the meeting, inquired as to the purpose of the Senator's trip. Webb replied that the two shared the same goal: Burma should be part of the international community again. He is looking for ways to help, especially as the Obama Administration discusses the best way forward. Given his role as chair of the Senate Foreign Relations Committee Subcommittee on East Asia and the Pacific, his experience in the region, and his 2001 visit to Burma, he noted he is eager to observe the situation in Burma, including the effects of U.S. sanctions.

ASSK: Willing to Compromise, Have "Harmful" Sanctions Lifted

- 14. (C) Keying on the Senator's reference, ASSK explained that she never called for sanctions to be imposed initially but that she supported those working for human rights who advocated sanctions. She noted that sanctions were strengthened after the Depayin incident (Note: in which government-backed thugs attacked a convoy carrying ASSK and her supporters, killing several), but she had not called for those measures.
- 15. (C) ASSK stated that UN Special Envoy Gambari and Liaison Minister Aung Kyi, has passed her Than Shwe's message that ASSK and the NLD should give up confrontation and oppose sanctions. She had replied to Aung Kyi that she is prepared to go on record against confrontation, advocating a legal

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solution to Burma's political problems and pledging cooperation with the SPDC to secure removal of sanctions "that are harmful to the country." The regime, unhappy with the addition of the final phrase, claimed publicly that she had not responded. ASSK told the Senator the perspective of the SPDC is "everything short of capitulation is confrontation." She stressed she and the NLD want a good and fair compromise; they are willing to work for the removal of sanctions.

Senator: Sanctions Isolate, Create Regional Imbalance

- 16. (C) Senator Webb stressed that his concerns about sanctions are not directed at ASSK and her politics. ASSK should be free; he had made that point during all his meetings with GOB leaders in Nay Pyi Taw. Drawing parallels with the Vietnam embargo, he observed that sanctions have harmed Burma's economy, resulted in limited contact with the U.S. and other countries with democratic views, and served to empower countries like China, thus creating a regional imbalance.
- 17. (C) In response, ASSK observed that sanctions are not responsible for Burma's economic woes. She cited a 2008 IMF report stating that the GOB's misguided economic policies, not sanctions, are responsible for Burma's poor economic performance. A number of Asian businesses have left due to a bad business climate. She acknowledged Burma now has closer relations with China and India than with the West and added, "I see your point of view" regarding the need for interaction with Western countries. Still, ASSK insisted that sanctions are a political, not an economic issue. Expecting political change in return for lifting of sanctions is simplistic.

ASSK: The More Who Visit Burma, the Better

 $\P 8.$ (C) Senator Webb agreed sanctions are also a political issue, but cited contradictions in their application by the

United States. China and Vietnam have one-party systems and lack elections, for example, but are not subject to sanctions. U.S. policy in the region has been inconsistent, he remarked, hurting U.S. credibility. Interactions with countries such as China and Vietnam have allowed those nations to start thinking differently. Personal contacts, particularly through education, can change a people's consciousness. ASSK agreed that more openness and bilateral exchanges in economics and particularly in the education field are necessary. "I am very much for openness." ASSK said she favors contacts with Burma; visitors should come to the country and even meet with the SPDC, but they need to get a balanced impression. "The more people who visit, the better."

Need for Domestic Dialogue

- 19. (C) Raising the lack of dialogue domestically, ASSK stated that before interacting with the rest of the world, citizens of Burma need to interact with each other. The regime does not allow that and does not talk to the democratic movement. Senator Webb agreed it is important for people to talk to one another. ASSK said SPDC leaders have nothing to lose by talking with democratic forces. "They are afraid we do actually have common ground but they don't want to admit it."
- 110. (C) ASSK noted she had reached tentative agreement with the SPDC in 2004 on certain principles, including no vengeance or prosecution of individuals from the military regime. However, she wanted an official inquiry into the Depayin incident in the interests of "justice, peace, and stability," and to facilitate cooperation to prevent future such incidents. At the time she had not asked for the release of all political prisoners, only for the release of

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those arrested in Depayin. At that point, she said, the regime stopped talking.

Breakdown in Conversation with Aung Kyi

111. (C) ASSK stated that she and Aung Kyi had agreed in 2007, in meetings initiated after the monk-led uprising, to keep talking. If the two disagreed about something, they would talk about something else. Charge informed ASSK that, at the NLD Central Executive Committee's request, he has been trying to facilitate a resumption of dialogue between Aung Kyi and the NLD. He related that Aung Kyi told him ASSK only wants to talk to the Senior General and had refused to see the Liaison Minister in September 2008. ASSK denied it, saying there had been a misunderstanding. She had been ill and proposed another time to meet Aung Kyi. The regime has not responded.

ASSK Demurs on NLD Election Plans, Cites Need to Consult Party

112. (C) Senator Webb inquired whether the NLD would consider participation in the 2010 elections, and asked what specific remedies the party is seeking for the constitution. Aung San Suu Kyi said she cannot answer questions about the party's position regarding the elections without consulting with her party, which she has been unable to do. She noted, however, that the regime's May 2008 constitutional referendum and the constitution itself have left many unanswered questions. Elections are part of a democratic process but must be in a democratic form. The NLD wants the will of the people, as expressed in the 1990 elections, to be "honored." This is negotiable. ASSK and the NLD are practical and are seeking a solution, she stressed.

ASSK: Fears of "Balkanization" Overblown

113. (C) Senator Webb noted that the regime expressed concern about the fragility of the state, given ethnic differences. Aung San Suu Kyi replied that fears of "Balkanization" in Burma are unfounded. Although she had not been "out and about much" due to her house arrest, during her tour of the country in 2002-2003 she found greater warmth and support in ethnic areas than in 1989. The military fears that ethnic groups would make impossible demands if a democratic government comes to power. ASSK acknowledged that ethnic groups might make demands, including some unreasonable ones. However, she expressed confidence that dialogue and consultations could help sort out differences.

Concerned About Decay in Educational System

114. (C) ASSK expressed concerns about the decay in Burma's educational system. Burma had one of the best educational systems in Southeast Asia until 1962. Now only those with means can receive decent education. She remarked that the regime uses the education system to teach what they want people to believe and not to equip students with skills to build a better country.

ASSK Grateful for USG Support, Thanks Secretary Clinton

115. (C) Aung San Suu Kyi asked Senator Webb to convey thanks to Secretary Clinton for her strong support. She added that President Obama, as a lawyer, would appreciate the need for rule of law and an independent judiciary in Burma. Senator Webb presented ASSK with the POTUS statement concerning her conviction. Aung San Suu Kyi replied that she is grateful for the support of the U.S. and the world. We must work together more closely in the future, she concluded.

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Comment

- 116. (C) ASSK appeared physically and mentally strong. She was extremely direct, eloquent and detailed in her responses, and despite her isolation seems well informed of current economic and social conditions in Burma, as well as world events.
- 117. (C) Throughout the conversation with Senator Webb, ASSK returned repeatedly to the need for direct talks with the regime and stressed the NLD's pragmatism, flexibility, and willingness to engage the SPDC without precondition. She made quite clear that the breakdown in dialogue is solely the fault of the regime. ASSK never once raised her own release from custody, though when the Senator raised the topic she quickly added that others must be freed as well. VAJDA